

Notes on Project 12.488

Pp. 4-6

Why duplicate here what is also shown in the Glossary? Could not most of this material be moved to Appendix A? Check also for consistency between material in text and in Glossary.

P. 4, para 1, 1. 2

Why just used? Is it not more a question of all the structures and equipment under the control of the industrial sector?

P. 4, para. 1, 2d sent.

Does this refer to financing with the enterprises' own funds or does it include social and cultural facilities under the control of industry but financed by funds from the state budget?

P. 4, para. 2

Is it the production of such goods? This may occur in an earlier period. Why not define it merely as the increment, particularly since installation costs are involved?

P. 4, para. 4

Ambiguous. Do suggested changes in text convey what is intended?

Pp. 6-7, Availability of data

Move to discussion of Methodology. Note problem generally in Foreword.

P. 8, 1st para.

The "necessity" of these measures is not meaningful unless tied to the objective stated in the previous paragraph. It was not an abstract necessity but one related to the purpose of sovietizing the GDR economy. Redraft the first sentence on p. 8 to show this connection.

Pp. 7-10

Although not long, this section is repetitive and should be further tightened. E.g., too much repetition of dismantling and the change in Soviet policy.

P. 14, 11. 1-3

Don't you in fact achieve a reconciliation on pp. 14-15? Isn't this statement too strong?

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Notes (continued)

P. 14, Table 2

Correct indentation of stubs.

Can some way be devised to facilitate comparison of Tables 1 and 2 by the reader?

P. 17, last para.

How were national income figures (given in 1950 prices in FDD 662) converted to current prices for calculation of rate of accumulation?

P. 19, last para.

Insert "electric" as shown.

P. 21, 2d full para.

Weren't the shifts to consumer goods really token shifts as compared with the increased allocations to coal and power?

P. 25, 2. Basic Materials

Add to title: "and Power."

P. 26, 1. 3

Million?

P. 26, last para., 1. 3

Legacy of policies 1945-55. Wasn't this policy changed after 1953? See p. 19 above.

Pp. 26-27

It is difficult to accept the theory that 1956-58 increases in power output were affected appreciably by more intensive use of existing fixed capital, since the use factor was already excessively high. As early as 1953, the use factor was reported as over 6,000 hrs/yr. (EOB 7569, 22 Dec. 54, F-3, Sec/Cont). Some increase may have resulted from the repair and reconstruction program.

P. 27, 1st full para.

As you state for 1958, so in the earlier years of 1953-55, during each year, less capacity was installed than planned and of that installed considerable amounts had to undergo protracted periods of testing before going into continuous operation.

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Notes (continued)

P. 27, last para.

This depends in part on the accounting system and methods of paying the manufacturer, since additional large amounts were under construction and in process of installation. It was stated for example that in 1955, 178.2 million DME would be spent towards achieving an increase in capacity of 657.19 million kw. in 1956 (NGK - 6638, 6 Dec. 54, c-3, S/Noform). This does not mean that this capacity would cost only 270 DME/KW. but that the investment was expended over more than one year.

Pp. 28-31

Indicate in this section that during this FY East Germany's requirements for certain raw materials are being underwritten by Soviet exports and document to the appropriate agreement.

P. 32

Choppy and disconnected, though individual paragraphs are interesting. Move para. 3 ahead of para. 2. Combine present para. 2 with last para. and eliminate repetition.

P. 35, 1st full para.

Aren't these two sentences contradictory?

Pp. 35-36

Rearrange as suggested.

P. 38, 8 ll. up

One hundred millions to be invested in 1958?

P. 41, 2d full para., 2d sent.

Are these very large in an absolute sense?

P. 42, ll. 5-6

Seriously, or is this bloc propaganda?

P. 42, ll. 6-7 up

Does the 500,000 include defections?

Pp. 40-46

Are any over-all investment data available for the proposed
TYP?

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Notes (continued)

P. 41, Tabulation

Can planned average annual growth in percent for the 7YP be compared with corresponding data for a preceding group of years, say 1955-58?

P. 43, 1st para.

See above, suggestions on pp. 29-31 in re Soviet support of GDR raw material needs for coal, iron ore, steel, etc. Where does a given amount of investment capital yield the greatest return to the GDR, in basic materials or in metal working? How does this check with the GDR desire to be a "model" Soviet type economy (p. 8 and 11 above)? What is the present Soviet position on proper investment policy for a Satellite country?

P. 47, Metalworking industry

See text.

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